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**1990/11/30**

## EXERCISE

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of the opposition Democratic Progressive party (DPP). ✓

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have included establishing the foundation for exchanges across the Taiwan strait (FEATS), restating Taiwan's willingness to engage in talks under the right terms, arresting a leading Taiwan independence activist, deciding to return PRC civilian airline hijackers, and agreeing to repatriate illegal PRC entrants under Red Cross auspices.

7After the DPP declared in October that Taiwan's "de facto sovereignty" was limited to the island, PRC leaders conveyed publicly their suspicion that the KMT had connived with the DPP to float a Taiwan-independence trial balloon.

In late September, after the PRC had accused Taiwan of complicity in the deaths of two boatloads of repatriated PRC illegal entrants, Taipei agreed to return future PRC illegal entrants via Red Cross ferries. On October 6, after the fiery crash four days earlier of a hijacked PRC passenger plane in China, Taiwan pledged to return future PRC civilian aircraft hijackers. The PRC had accused Taiwan of indirect responsibility for the hijacking because of its previous refusal to return PRC hijackers.

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Coincident with Taiwan's establishment of the            FEATS. Taiwan's presidential press spokesman on November 23 said talks with the PRC would be unavoidable on the way to national unification.

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The PRC welcomed FEATS on November 26 and indicated a willingness to deal with intermediary organization. FEATS hopes to exchange unofficial representatives with Beijing, and the PRC's initial reaction suggests it may accept such a proposal.

### Taiwan's domestic agenda

Taiwanese tourists were killed in the hijackings, and Taipei was embarrassed by the drownings of PRC returnees.

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### Critic signals to Beijing

Taiwan on November 4 arrested Taiwan independence activist Huang Hua, a member

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